# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:737
ANSWERED ON:25.07.2003
INSURANCE OF BUILDINGS
SULTAN SALAHUDDIN OWAISI

**Will the Minister of FINANCE be pleased to state:**

(a) whether Insurance Regulatory and Development Authority (IRDA) has rationalised the norms for fire insurance of buildings;

(b) if so, the details thereof;

(c) the manner in which the new norms are different from the previous one;

(d) whether household policies issued after June 1, 2003 have been first loss cover;

(e) if so, the details thereof; and

(f) the areas likely to be covered by the household policies after June 1,2003?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (Shri ANANDRAO V. ADSUL)

(a): No, Sir.

(b) & (c) : Do not arise.

(d) & (e): With effect from 1st June, 2003, IRDA has permitted insurance of the contents of dwelling houses covered under Householders` Package Policy on first loss basis. Under First Loss policies, the cover is restricted to certain agreed percentage of the total value of the risk and premium is charged accordingly.

(f): The Householders` Package Policy may cover following areas :

1. Fire insurance of building and contents

2. Burglary, housebreaking, larceny and theft insurance

3. All risks insurance of jewellery and valuables

4. Accident insurance of fixed plate glasses

5. Breakdown insurance of domestic appliances.
6. Breakdown insurance of TV, VCR, VCD, DVD etc.,

7 Insurance of pedal cycle

8. Insurance of travel baggage

9. Personal accident insurance
10. Public liability & WC Liability.